GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:4899
ANSWERED ON:20.12.2000
WORKING CAPITAL
BASUDEB ACHARIA;SUSHIL KUMAR INDORA

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether as a result of reduction of Working Capital of Units under KVIC in 1998-99, the production has reduced drastically;

(b) if so, the details thereof;

(c) whether the Government propose to increase the limit regarding the existing quantum of capital investment in Khadi and Village Industries;

(d) if so, the details of the proposal and the reasons which made the Government consider the need for increasing the capital investment limit for the units in this sector;

(e) whether efforts have been made to increase the credit limit to the priority sector by the financial institutions to supplement the capital requirement of the existing units; and

(f) if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a): No, Sir.

(b): Does not arise.

(c) & (d): No, Sir. The Government of India vide a notification dated 27.10.94 had enhanced the fixed capital investment limit per head artisan/worker, under the Khadi and Village Industries programme from Rs. 15,000/- to Rs. 50,000/-.

(e): Availability of adequate credit is ensured through continuous monitoring of the Margin Money Scheme with banks.

(f): Does not arise.